

COLLEGE STUDENT AID COMMISSION[283]

Adopted and Filed

Rule making related to interstate reciprocity agreement

The College Student Aid Commission hereby amends Chapter 21, “Approval of Postsecondary Schools,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 261B.3.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapters 261, 261B and 261G.

Purpose and Summary

This amendment reflects current policies and practices as they relate to the administration of the State Authorizing Reciprocity Agreement (SARA) and incorporates the requirement of the National Council for SARA that Iowa SARA-approved schools extend certain consumer protection policies to out-of-state residents attending distance education programs.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on January 3, 2018, as **ARC 3540C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Commission on February 23, 2018.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 18, 2018.

The following rule-making action is adopted:

Amend rule 283—21.15(261B,261G) as follows:

283—21.15(261B,261G) Approval criteria for a school seeking to participate or renew participation in a commission-approved interstate reciprocity agreement under Iowa Code chapter 261G. A school that applies to participate in a commission-approved interstate reciprocity agreement shall meet the following criteria:

21.15(1) The applicant school shall be in compliance with Iowa Code chapter 261B as provided in this chapter.

21.15(2) The applicant school shall submit an institutional participation application as required by the commission-approved interstate reciprocity agreement. The application shall be signed by the school's chief executive officer or chief academic officer.

21.15(3) A nonpublic applicant school must submit evidence that its most recent, official financial responsibility composite score, as calculated using the method prescribed by the United States Department of Education, is at least 1.5. A school demonstrates that its financial responsibility composite score is official by providing written confirmation of its composite score from the United States Department of Education. In accordance with policies established by the interstate reciprocity agreement administrator, the commission shall determine the official financial responsibility composite score for a school that does not participate in the postsecondary student financial aid programs authorized by the United States Department of Education.

21.15(4) The commission will consider the application of a nonpublic school whose most recent, official financial responsibility composite score is between 1.0 and 1.49. The applicant school must submit a copy of the school's most recently audited financial statements accompanied by a written explanation of the circumstances that caused the school's composite score to be below 1.5 and the school's plan to raise its composite score to 1.5 within a time frame determined by the commission. The commission may approve, provisionally approve, or deny the school's application.

21.15(5) A for-profit applicant school must demonstrate and maintain compliance with Iowa Code sections 714.18 and 714.23. The school shall apply the policy it adopts under Iowa Code section 714.23 to students who attend its campus(es) in Iowa and to Iowa resident and nonresident students who attend distance education programs the school offers under the commission-approved interstate reciprocity agreement.

21.15(6) The applicant school shall demonstrate that the military deployment tuition and fee refund policy required under Iowa Code sections 261.9(1) "g," 262.9(30), and 260C.14(20), subrule 21.3(5) and paragraph 21.14(1) "f" applies to students who attend its campus(es) in Iowa and to Iowa resident and nonresident students who attend distance education programs the school offers under the commission-approved interstate reciprocity agreement.

21.15(3) 21.15(7) The commission will provide a link to a page on its Web site for students to use to seek additional information about a school or to file a complaint about a school. An approved school will prominently provide disclose on its Web site the link to the commission's Web page for students website the school's participation in the commission-approved interstate reciprocity agreement and provide the commission's contact information in a format prescribed by the commission for students who wish to inquire about the school or file a complaint. The school will provide the commission with the name of and business contact information for a person whom the school designates to receive student complaints from the commission and coordinate the school's response.

21.15(4) 21.15(8) A school that is approved to participate in the commission-approved interstate reciprocity agreement shall remit an annual fee payable and due to the commission on July 15 of each year. If a school's participation in the commission-approved interstate reciprocity agreement terminates during a year, the The school shall pay the annual fee to the commission if the school's registration

commission's approval to participate in the interstate reciprocity agreement is valid as of July 15 of that year. The annual fee is nonrefundable and will be assessed based on a school's full-time equivalent (FTE) enrollment as follows:

- Under 2,500 FTE – \$2,000.
- 2,500 to 9,999 FTE – \$4,000.
- 10,000 FTE or more – \$6,000.

~~21.15(5)~~ 21.15(9) A school that is approved to participate in the commission-approved interstate reciprocity agreement shall remit to the interstate reciprocity agreement administrator any required fees.

~~21.15(6)~~ 21.15(10) Upon approval by the interstate reciprocity agreement administrator, a school may continue its participation in the reciprocity agreement as long as it meets all requirements of the interstate reciprocity agreement.

[Filed 2/23/18, effective 4/18/18]

[Published 3/14/18]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/14/18.